



OFFERING MEMORANDUM
Snug Harbor Mobile Home Park
6347 S. Fontana Ave.
Tucson, AZ 85706



MULTI-FAMILY & INVESTMENT SALES TEAM



MULTI-FAMILY TEAM

ALLAN MENDELSBERG

Principal, Multi-Family Team

D +1 520 546 2721

M +1 520 490 2113

amendelsberg@picor.com

JOEY MARTINEZ

Principal, Multi-Family Team

D +1 520 546 2730

M +1 520 668 3858

jmartinez@picor.com

PICOR Commercial Real Estate Services

5151 E Broadway Blvd, Suite 115

Tucson, Arizona 85711 | USA

Main +1 520 748 7100

picor.com | multifamilytucson.com

DISCLAIMER




©2023 Cushman & Wakefield | PICOR. All rights reserved. The information contained in this communication is strictly confidential. This information has been obtained from sources believed to be reliable but has not been verified.









NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, IS MADE AS TO THE CONDITION OF THE PROPERTY (OR PROPERTIES) REFERENCED HEREIN OR AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN, AND SAME IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER CONDITIONS, WITHDRAWAL WITHOUT NOTICE, AND TO ANY SPECIAL LISTING CONDITIONS IMPOSED BY THE PROPERTY OWNER(S). ANY PROJECTIONS, OPINIONS OR ESTIMATES ARE SUBJECT TO UNCERTAINTY AND DO NOT SIGNIFY CURRENT OR FUTURE PROPERTY PERFORMANCE.



PROPERTY INFORMATION

SNUG HARBOR MOBILE HOME PARK
6347 S. FONTANA AVE.
TUCSON, AZ 85706

 PRICE \$900,000	 PER SPACE \$31,034	 CAP RATE 7.32%
---	---	--

	LOCATION:	6347 S. Fontana Ave Tucson, AZ 85706		LANDSCAPING:	Large trees, shrubbery, rock & bushes
	SITE AREA:	2.66 Acres 115,870 Sq. Ft.		UTILITIES: (Responsibility)	Electricity: Tucson Electric (Tenant) Gas: Southwest Gas (Tenant) Water: City of Tucson (Tenant) Sewer: City of Tucson (Tenant) Trash: City of Tucson (Tenant)
	ASSESSOR PARCEL NUMBER(S):	138-11-089A, 138-11-049A, & 138-11-0850		METERING:	Electric: Individual (Spectrum) Gas: (Spectrum) Water/Sewer/Trash: (Spectrum) Hot Water: (Spectrum)
	ZONING:	MH-1		HEATING/COOLING:	EVAP – Single family house
	ACCESS:	Ingress / Egress		CONSTRUCTION:	Masonry – Single family house
	PARKING	~ 25		FINANCING:	Conventional Financing or Cash
	ROOF / STORIES:	Build up Flat / One			
	YEAR BUILT:	1953			

UNIT DESCRIPTION	NO. OF UNITS	% OF TOTAL
MHP (Need Electric Upgrades)	5	17%
MHP (Lot Rent)	23	79%
Single Family Residence	1	3%
Total/Average (Monthly)	29	100%

FINANCIAL ANALYSIS

SNUG HARBOR MOBILE HOME PARK
6347 S. FONTANA AVE.
TUCSON, AZ 85706

UNIT DESCRIPTION	NO. OF SPACE	% OF TOTAL	CURRENT AVERAGE RENT		PROFORMA RENTS	
			PER SPACE	PER MONTH	PER SPACE	PER MONTH
MHP (Need Electric Upgrades)	5	17%	\$0	\$0	\$350	\$1,750
MHP (Lot Rent)	23	79%	\$308	\$7,084	\$350	\$8,050
Single Family Residence	1	3%	\$400	\$400	\$800	\$800
Total/Average (Monthly)	29	100%	\$258	\$7,484	\$366	\$10,600
Annual				\$89,808		\$127,200

Income Statement	Marketing Pro Forma	Pro Forma Per Space	2022 Actuals	2022 Actuals Per Space
RENTAL INCOME				
Gross Market Rent	\$127,200	\$4,386		
Vacancy Loss	-\$12,720	-10.0%		
Concessions & Bad Debt	-\$1,908	-1.5%		
Net Rental Income	\$112,572	\$3,882	\$82,662	\$2,850
RUBS	\$52,000	\$1,793	\$52,891	\$1,824
TOTAL INCOME	\$164,572	\$5,675	\$135,553	\$4,674
OPERATING EXPENSES				
Payroll	\$4,800	\$166	\$3,000	\$103
Repairs & Maintenance & Turnover	\$7,500	\$259	\$8,764	\$302
Contract Services	\$5,000	\$172	\$5,805	\$200
Utilities	\$52,000	\$1,793	\$49,042	\$1,691
TOTAL VARIABLE	\$69,300	\$2,390	\$66,611	\$2,297
Property Taxes	\$3,955	\$136	\$3,955	\$136
Property Insurance	\$5,000	\$172	\$4,500	\$155
Management Fee	\$13,166	8%	\$8,266	6%
Reserves	\$7,250	\$250		
TOTAL EXPENSES	\$98,671	\$3,402	\$83,332	\$2,874
NET OPERATING INCOME	\$65,901	\$2,272	\$52,221	\$1,801

Stabilized Market Analysis	
Value	\$900,000
Per Space	\$31,034
Cap Rate	
2022 Actuals	5.80%
Marketing Pro Forma	7.32%

PROPERTY HIGHLIGHTS

SNUG HARBOR MOBILE HOME PARK
6347 S. FONTANA AVE.
TUCSON, AZ 85706



PROPERTY HIGHLIGHTS

- Value-add opportunity
- Lot rent only, no park owned homes
- In-place property management
- Potential for on-site laundry and office conversion
- Large single-family home in need of renovations
- Long term tenants

SPACE HIGHLIGHTS

- Below market rents
- Tenants responsible for maintenance of mobile homes
- Individually sub-metered for all utilities
- Spectrum bill-back in place
- Some spaces in need of electrical upgrades
- Close to airport and Tucson's major highways

PROPERTY SUMMARY

SNUG HARBOR MOBILE HOME PARK
6347 S. FONTANA AVE.
TUCSON, AZ 85706



Snug Harbor Mobile Home Park is located northwest of Valencia Rd. & Nogales Hwy at 6347 S Fontana Ave. It is a mobile home park with 29 MH spaces and a large single-family house. Additionally, there is an auxiliary building with plumbing and electric access. This building could be converted to a laundry facility and on-site office. The property is comprised of over 2.5 acres and is zoned for MH. This property has long term residents, has been well maintained, and the rents are below market. All spaces are lot rent only and no homes are owned by the park. This is attractive as it puts maintenance and replacement costs as a tenant responsibility, not the owner.

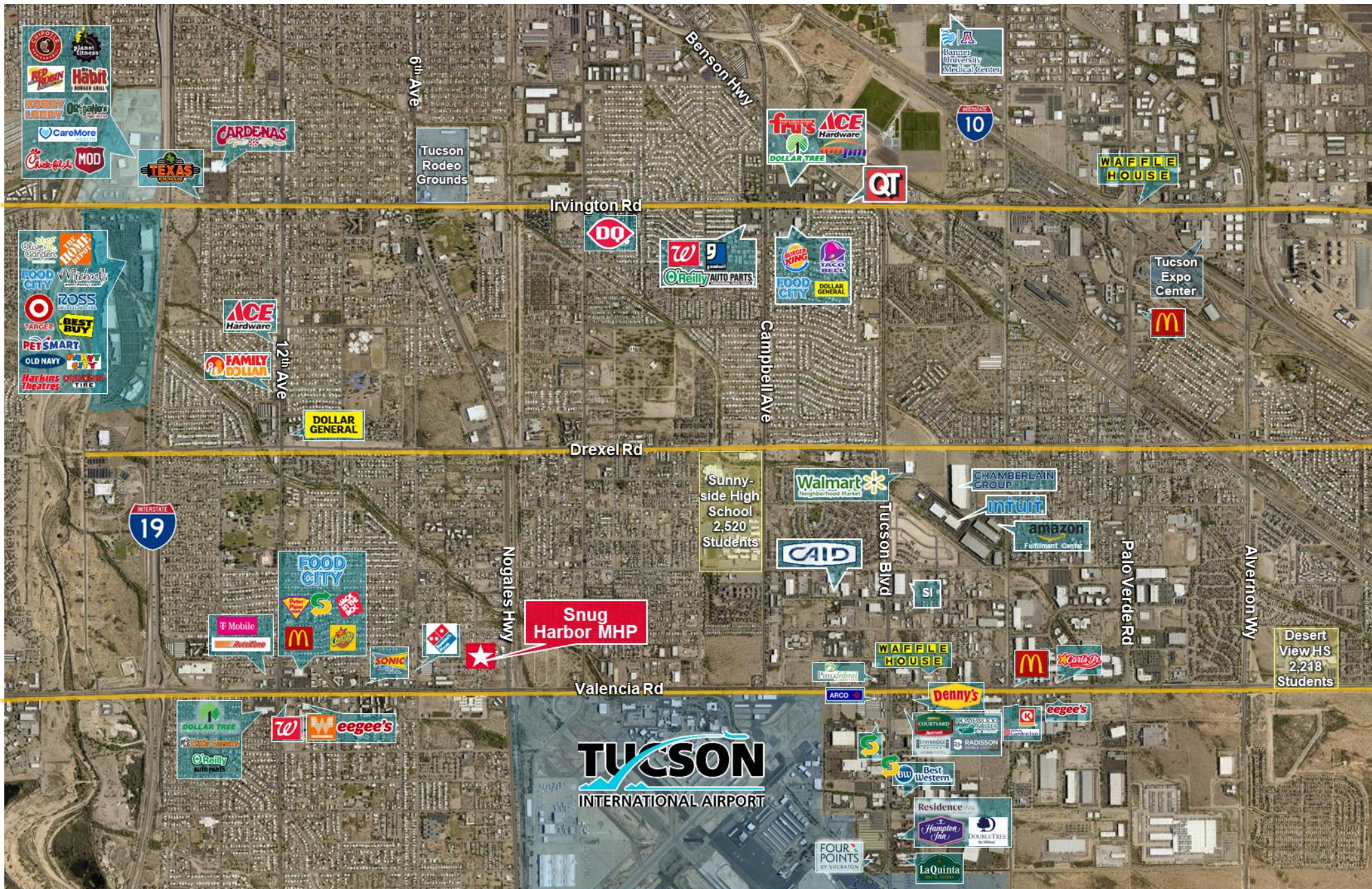
Rental rates for all spaces are currently at averaging about \$308 per month. This is well below market for comparable lot rents at properties in the area. Significant upside awaits an investor who can increase rents and fill in the vacant spaces. Additionally, the large single-family house on the property offers a significant opportunity to inject value into the asset. Once renovated, this house could rent for upwards of \$1,100 per month.

All utilities are paid for by the tenants including electric, gas, water, and sewer. The spaces are sub-metered for the utilities which puts the responsibilities on the tenants, reducing the owner's yearly expenses. Some spaces are in need of electrical upgrades.

The auxiliary storage building is comprised of brick and is located in the center of the park. It hosts three different spaces, each with its own entrances and could possibly be converted and used as a flex building with an office, laundry, storage, restroom, or potentially an additional unit. This flexibility provides potential upside to investors for additional cash flow. Potential to convert into any of the above uses to be investigated by Purchaser.

TRADE MAP

SNUG HARBOR MOBILE HOME PARK
6347 S. FONTANA AVE.
TUCSON, AZ 85706



DEMOGRAPHIC OVERVIEW

SNUG HARBOR MOBILE HOME PARK
6347 S. FONTANA AVE.
TUCSON, AZ 85706

2022 DEMOGRAPHIC OVERVIEW

	1 MILE	3 MILES	5 MILES
POPULATION	17,587	88,805	165,135
HOUSEHOLDS	5,416	28,540	53,995
AVG HOUSEHOLD INCOME	\$45,857	\$55,278	\$58,972
DAYTIME POPULATION	2,263	37,228	72,225
RETAIL EXPENDITURE	\$105.48 M	\$630.35 M	\$1.24 B

Source: Sites USA -Applied Geographic Solutions 11/2021, TIGER Geography - RF5

2027 DEMOGRAPHIC PROJECTIONS

	1 MILE	3 MILES	5 MILES
POPULATION	17,827	91,051	169,204
HOUSEHOLDS	5,412	28,836	54,508
AVG HOUSEHOLD INCOME	\$55,280	\$64,125	\$70,227

Source: Sites USA -Applied Geographic Solutions 11/2021, TIGER Geography - RF5

TRAFFIC COUNTS VEHICLES PER DAY (VPD)

S. NOGALES HWY	14,668 VPD	(2022)
E. VALENCIA RD	37,014 VPD	(2022)

Source: Pima Association of Governments



EXTERIOR PHOTOS



EXTERIOR PHOTOS



ABOUT THE REGION

ARIZONA: THE BEST STATE FOR BUSINESS

Quality Jobs Tax Credit*

Provides up to **\$9,000 of income or premium tax credits** over a three-year period for each net new job to the state and concurrent qualifying capital expenditures.

Quality Facility Tax Credit*

Provides **refundable income tax credits up to \$20,000** per qualifying net new job to eligible manufacturing companies that invest in one or more qualifying facilities.

Additional Depreciation*

Accelerates depreciation to substantially reduce business personal property taxes.

Exemption for Machinery and Equipment & Electricity*

Provides Transaction Privilege Tax (sales tax) and Use Tax exemptions.

Research & Development Tax Credit*

Provides an Arizona income tax credit for increased research and development activities conducted in this state. The R&D tax credit is equal to **24% of the first \$2.5 million in qualifying expenses, plus 15% of the qualifying expenses in excess of \$2.5 million**. Beginning in 2023, the tax credit rates will be 20% of the first \$2.5 million in qualifying expenses plus 11% of the qualifying expenses in excess of \$2.5 million.

Diverse Workforce

As one of the fastest growing megaregions in the U.S., the continuing in-migration of talent at all levels positively impacts the regional economy and translates into increased workforce availability. The local military installations have over 8,000 active airmen and provide a skilled veteran pool for businesses to tap.

Source: Sun Corridor, Inc.

* *Source: AZCommerce.com*

Oro Valley

Is located in northern Pima County approximately three miles north of the Tucson city limits. Nestled between the Catalina and Tortolita mountain ranges, the town sits at an elevation of 2,620 feet and covers more than 36 square miles.

Incorporated in April 1974 and home to more than 45,184, the Town of Oro Valley employs the council-manager form of municipal government. Oro Valley is administered by a seven-member Town Council.

Source: orovalleyaz.gov

Rio Nuevo Tax Increment Finance District

Rio Nuevo is the only tax increment finance district (TIF) in the state of Arizona. In partnership with developers, investors and lenders, Rio Nuevo invests in projects designed to expand the tax base and bring patrons and new businesses to Downtown Tucson. Rio Nuevo helps defray the steep costs of major new development and property improvements.

Town of Marana: Job Creation Incentive Program

Helps businesses to locate or expand in Marana by receiving reimbursement from reallocation of construction sales tax on new construction or expansion projects to qualifying employers.

Source: Sun Corridor, Inc.

TUCSON

At a Glance



1.058M

TUCSON MSA
POPULATION

434,692

TOTAL HOUSEHOLDS



25%

EDUCATION-
SOME COLLEGE

1.0%

POPULATION
GROWTH RATE

\$59,391

MEDIAN HOUSEHOLD
INCOME

3.3%

UNEMPLOYMENT
RATE

Source: BLS, BOC, Moody's Analytics 11/28/22

LARGEST EMPLOYERS

1. UNIVERSITY OF ARIZONA- 15,907
2. RAYTHEON MISSILE SYSTEMS- 13,000
3. DAVIS-MONTHAN AFB- 11,769
4. STATE OF ARIZONA – 8,580

www.arizona.edu, suncorridorinc.comRECENT INDUSTRY
ARRIVALS & EXPANSIONS

1. AMAZON
2. CATERPILLAR SURFACE MINING & TECHNOLOGY
3. HEXAGON MINING
4. BECTON DICKINSON
5. TUSIMPLE



46,932

UNIVERSITY OF ARIZONA
TOTAL ENROLLMENT, 2022

- #5 MANAGEMENT INFORMATION SYSTEMS
- #10 SPACE SCIENCE
- #29 NURSING
- #48 TOP PUBLIC SCHOOL
- #54 UNDERGRAD ENGINEERING PROGRAMS
- #67 COLLEGES FOR VETERANS
- #47 BEST BUSINESS SCHOOLS
- #108 BEST GLOBAL UNIVERSITY

UNIVERSITY OF ARIZONA TOP PROGRAMS
U.S. News & World Report



SNUG HARBOR MOBILE HOME PARK

6347 S. Fontana Ave.
TUCSON, AZ 85706

BROKER CONTACTS

ALLAN MENDELSBERG

Multi-Family Team, Principal
D +1 520 546 2721
M +1 520 490 2113
amendelsberg@picor.com

JOEY MARTINEZ

Multi-Family Team, Principal
D +1 520 546 2730
M +1 520 668 3858
jmartinez@picor.com

SUPPORT TEAM

ELIZABETH GUERRERO

Multi-Family Team, Assistant
D +1 520 546 2760
eguerrero@picor.com